

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: SMALL WIND INNOVATION ZONE — FLOYD COUNTY	DOCKET NO. IAC-2012-1522
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ORDER DESIGNATING SMALL WIND INNOVATION ZONE

(Issued March 14, 2012)

On February 16, 2012, Floyd County, Iowa (Floyd County), filed with the Utilities Board (Board) an application for designation of its unincorporated areas as a Small Wind Innovation Zone pursuant to Iowa Code § 476.48 and 199 IAC 15.22. No objections or responses to Floyd County's application have been filed.

Iowa Code § 476.48 provides that political subdivisions may be designated as Small Wind Innovation Zones if certain requirements are met; the purpose of the statute is to allow owners of small wind energy systems located within a Small Wind Innovation Zone to benefit from a streamlined process to be interconnected with an electric utility. Iowa Code § 476.48(2)"a." To be designated as a Small Wind Innovation Zone, an area must be:

[A] political subdivision of this state, including but not limited to a city, county, township, school district, community college, area education agency, institution under the control of the state board of regents, or any other local commission, association, or tribal council which adopts, or is encompassed within a local government which adopts, the **model ordinance**.... (Iowa Code § 476.48(1)"c," emphasis added).

In accordance with Iowa Code § 476.48(3), the Model Ordinance was jointly developed by the Iowa League of Cities, the Iowa State Association of Counties, the Iowa Environmental Council, the Iowa Wind Energy Association, and representatives from the utility industry, and was made available on the Web sites of the Iowa League of Cities and Iowa State Association of Counties. Section 476.48(3) provides that a local government adopting the Model Ordinance "shall establish an expedited approval process with regard to small wind energy systems in compliance with the ordinance"

In addition to adopting the Model Ordinance, a political subdivision that seeks to be designated as a Small Wind Innovation Zone must also be served by an electric utility that "has agreed to utilize the model interconnection agreement to contract with the small wind energy system owners who agree to its terms." Iowa Code § 476.48(2)"b." The Model Interconnection Agreement referred to in the statute was developed and adopted by the Board in Docket No. RMU-2009-0008. The adopted rules in 199 IAC 45 are mandatory for rate-regulated electric utilities and voluntary for non-rate-regulated electric cooperatives and municipal utilities. Therefore, if the area governed by a political subdivision is served by at least one rate-regulated utility, it is served by an electric utility that uses the Model Interconnection Agreement and meets the requirement of Iowa Code § 476.48(2)"b."

In its application, Floyd County provided a copy of Floyd County Zoning Ordinance No. 2011-2, adopted December 27, 2011 and amended February 13, 2012. The changes adopted in Ordinance No. 2011-2 closely match the provisions of the Model Ordinance. Also, Floyd County provided letters from MidAmerican

Energy Company and Interstate Power and Light Company; each utility stated in its letter that it provides service to portions of Floyd County and is subject to the provisions of 199 IAC 45. Floyd County also provided similar letters from Butler County REC, Franklin Rural Electric Cooperative, and Heartland Power Cooperative, all of whom state that they are not subject to the provisions of 199 IAC 45 but that they have interconnection procedures, forms, and agreements similar to those in 199 IAC 45.

Floyd County is in substantial compliance with the Model Ordinance and is served by more than one or more electric utilities that utilize the Model Interconnection Agreement under 199 IAC 45. The Board will approve Floyd County's application for designation of its unincorporated areas as a Small Wind Innovation Zone.

IT IS THEREFORE ORDERED:

The application to be designated a Small Wind Innovation Zone filed by Floyd County, Iowa, on February 16, 2012, is approved. The unincorporated areas of Floyd County, Iowa, are hereby designated as a Small Wind Innovation Zone.

UTILITIES BOARD

/s/ Elizabeth S. Jacobs

/s/ Darrell Hanson

ATTEST:

/s/ Joan Conrad
Executive Secretary

/s/ Swati A. Dandekar

Dated at Des Moines, Iowa, this 14th day of March 2012.